

caucus of members of the House, held in February, 1899, authorized the appointment of a committee by its chairman to frame a measure before the meeting of the next Congress in December, 1899. This committee met at Atlantic City in April, while the Republican members of the Senate Committee on Finance met during the summer, and each presented a measure early in the following session. In the House the caucus bill was passed on December 18th by a vote of 190 to 150. In the Senate action was somewhat more deliberate, but a measure was passed on February 15, 1900, by a vote of 46 to 29. A conference was held on the differences between the two measures, and out of this conference emerged the Gold Standard Act of March 14, 1900.

The Act of 1900 did not essentially change the basis of the bank-note currency and did not provide for retiring the government notes. In establishing the gold standard, however, and providing for its maintenance, it followed in the main the lines laid down by the Indianapolis Commission, except that it failed to provide for the redemption of standard silver dollars in gold. A Division of Issue and Redemption was established in the Treasury, in accordance with the Indianapolis plan. The gold reserve was definitely fixed at \$150,000,000, and was to be maintained, if necessary, by the sale of three per cent, gold bonds. All the bonded obligations of the United States were made payable in gold. Limitations were imposed upon the denominations of paper currency, with a view to converting silver certificates into denominations below \$10, and the greenbacks into notes for \$10 and higher denominations, leaving the minimum denominations of gold certificates, as under previous law, at \$20.¹

¹ The great demand for small notes arising in the period of business expansion which culminated in 1907 led to a modification of these provisions, by which the minimum denomination of gold certificates was reduced to \$10 and authority was given to the Secretary of the Treasury, whenever he deemed the supply of small silver certificates insufficient, to issue United States notes of the denominations of \$1, \$2, and \$5 in substitution for larger denominations to be cancelled.— Act of March 4, 1907, Sec. 2.